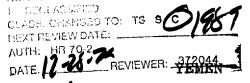
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NSC BRIEFING



CONFIDENTIAL 12 May 1959

I. Earlier signs that Yemen was prepared to follow the lead of its senior partner, the UAR, and cut back its extensive relations with the Sino-Soviet bloc were followed last week by two separate proposals.

25X1X6

B. In Yemen itself, Crown Prince Badr, who has in the past maneuvered to frustrate American interests at every turn and has been the principal exponent of Yemen's extensive bloc ties, made a fervent plea to the US charge in Yemen for improved relations and economic assistance.

25X6

25X6

- C. Present Sino-Soviet bloc economic commitments to Yemen include a \$25 million Soviet credit and a \$16 million interest-free loan from Communist China. About \$25 million of this total is believed to have been actually allocated.
 - 1. In addition, Soviet military material worth over \$30 million has been sent to Yemen, but the Yemenis are probably expected to pay only a third of this.

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2. More than 400 bloc personnel are now believed to be in Yemen, including as many as 50 military specialists. About 300 Chinese Communists are working on their road project.

